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C O N F I D E N T I A L BUCHAREST 000106

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TAGS: [PGOV](#) [PREL](#) [MARR](#) [ENRG](#) [SOCI](#) [RO](#)
SUBJECT: AMBASSADOR'S 1/25 MEETING WITH PRESIDENT BASESCU:
NATO, JSF, CONSTANTA LNG PROJECT, OTHER ISSUES

Classified By: Ambassador Nicholas Taubman for reasons 1.4 (b) and (d).

11. (C) Summary: In their January 25 meeting, the Ambassador discussed with President Basescu Romania's bid for the 2008 NATO Summit, the Joint Strike Fighter program, and moving forward on the Nabucco gas pipeline project. Basescu agreed to get personally engaged in Romania's bid to host the NATO 2008 Summit following the Ambassador's encouragement. Basescu was current on the different proposals to help guide the transformation of the Romanian Air Forces away from its current fleet of deteriorating MiG-21s towards a long-term future deploying the Joint Strike Fighter. Basescu was very pleased to hear about the successful flight test for Romania's soon to be delivered refurbished C-130H, which Romania plans to deploy to Afghanistan for in-theater use. Finally, the Ambassador shared a copy of a recent Sandia Lab report on LNG tanker safety, and discussed with Basescu next steps on the Nabucco pipeline and Constanta LNG terminal projects. End summary.

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NATO 2008 Summit Bid

12. (C) The Ambassador, accompanied by DCM and Acting Pol Counselor, met with President Basescu on January 25 to discuss a range of issues, including coordination with Romania in support of its bid to host the NATO 2008 Summit. Basescu was pleased to hear from the Ambassador that the U.S. commitment to support Romania's bid was as strong as ever, "from the President on down." On the Ambassador's suggestion, Basescu said he would be happy to play a hands-on role in calling his counterparts in select countries (including key "swing" countries in Central and Eastern Europe, Norway and Netherlands) in support of Romania's bid. He noted that the informal "eight count" in Romania's favor included Canada, Denmark, France, Italy, Lithuania, Poland, Slovenia and U.S.

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Joint Strike Fighter (JSF) and C-130H

13. (C) The Ambassador briefed Basescu on his recent discussions in Washington and in Bucharest concerning Romania's effort to find a bridge between Romania's aging MiG-21 fleet to Romania's goal of purchasing the JSF as early as possible. Basescu expressed special interest in commissioning a JSF Structural Assessment Study (for about USD 15 million, would have applicability towards F-16 feasibility, and would put Romania in the same queue with two other key allies for the JSF) and indicated he would raise the prospect directly with Defense Minister Frunzaverde before Frunzaverde's upcoming visit to Washington. Basescu also expressed openness, for the first time, to an F-16 lease option, one that might be a more affordable bridge to the JSF. He noted that the short gap between the F-16's operational effectiveness and the JSF's availability was a

key factor in why he was no longer interested in purchasing "all 41" new F-16s, as originally conceived. Basescu said that regardless of the GOR's ultimate purchasing decision, he said he recognized the importance of training pilots and maintenance crews as soon as possible on the F-16 to facilitate the transition away from the MiG-21s and the eventual deployment of the JSF. Basescu reported that he had raised the topic about how to choose pilots for F-16 flight training directly with Colonel Avram (MiG Air Wing Commander, 95th Air Base, Bacau, Romania). On the basis of Avram's advice, he said, Basescu preferred selecting younger pilots "uncorrupted" by their MiG training. He also cited Romania's difficulties on the commercial side in training pilots to fly Airbus planes after the state airline Tarom decided to maintain a mixed Boeing/Airbus fleet.

¶4. (C) Basescu remarked that he had recently received a document for his signature from the EU in which Romania was asked to commit to purchase EU-sourced defense equipment, but he said he would not be signing anything "like that." (nfi) Any military equipment purchased by Romania needed to be adequately maintained, he explained, questioning why Romania would buy equipment incompatible with U.S. standards when alternatively Romania could share defense infrastructure and maintenance facilities with the U.S. when they deploy together. "What would we do with Euro-fighters?" Basescu asked rhetorically. Basescu thought Romania should meet with Lockheed-Martin soon to discuss the JSF and F-16 issues "from the commercial side." When the Ambassador informed him that Lockheed-Martin had reported Romania's refurbished C-130H had just made a successful flight test, Basescu remarked that "It will go straight to Afghanistan" to support Romanian troops there.

Yushchenko's health and Russian ambitions

¶5. (C) The Ambassador congratulated Basescu on the inauguration of the new border bridge with Ukraine across the Tisha river, at which the Romanian and Ukrainian presidents met, and asked how Yushchenko was doing. Basescu described Yushchenko as physically "acceptable," with no apparent serious health problems. However, he sensed that "Yushchenko can not do what he wants to do." It has become apparent that Yushchenko had no real control over Ukrainian foreign policy in the wake of FM Tarasiuk's departure. Basescu expressed disappointment that EU leaders do not seem to understand or appreciate Russia's role in this. He said that EU leaders seem convinced Russia can be a partner, but it is increasingly clear that Moscow only advances policies that keep things under its control, like energy. Basescu said he raised this topic directly with German Chancellor Merkl, noting that the EU needs to look for alternatives to Russia's energy supplies. Basescu expressed his frustration that the EU seems to risk "all its eggs in one basket." For Russia, he warned, all of Europe to the Atlantic is "vital space" to Russia.

Alternatives to Russian energy supplies

¶6. (C) The Ambassador observed that the Nabucco pipeline appears to have a real chance for success. It was important, he stressed, because the region needs at least two alternative solutions for its energy supply, one that is centered on gas, the other on LNG. The Ambassador noted that, based on discussions of senior USG officials in Ankara, Turkey might be willing to allow LNG tankers through the Bosphorous. The Qatar Ambassador in Romania had also indicated his government was ready to make an LNG deal. Basescu said he was waiting for Qatar to finalize a feasibility study before taking any further steps. He added that if a short visit to meet the Emir was necessary, he was willing to undertake one, or to invite the Emir to Bucharest. Basescu asked the Ambassador to inquire about the status of the feasibility study. The Ambassador passed a copy of a Sandia Labs LNG Tanker Safety Analysis study to Basescu, noting that the conclusions make it clear LNG was significantly safer to transport than oil. Basescu agreed.

The Romanian president confirmed that all of the basic elements for a Nabucco deal were in place. He also mentioned that he discussed Nabucco with Yushchenko, who was supportive. Basescu indicated that he would talk to Poland to try to convince Warsaw to become more involved in Nabucco.

Basescu and the Ambassador agreed on the importance of strong competition in the energy field, and Basescu stressed the Russians needed to learn that it was wrong to use energy as a political weapon. Hopefully, he added, the Europeans would understand this point in the end.

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